



RESOLUTION
(75-2015)

**A RESOLUTION OF THE FAIRVIEW CITY COUNCIL AUTHORIZING THE
INTERIM CITY ADMINISTRATOR TO EXECUTE AN AMENDMENT TO AN
INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF GRESHAM FOR
THE COLLECTION AND TREATMENT OF WASTEWATER**

WHEREAS, the City of Fairview and the City of Gresham entered in to a 10 year intergovernmental agreement in January 2006 to consolidate and modify all prior agreements and sets forth the rights and obligations of both cities with respect to the collection and treatment of wastewater and the management, operation, maintenance, and financing of related systems and facilities; and

WHEREAS, the City wishes to extend this agreement for an additional 10 years; and

WHEREAS, the City also desires to modify the monthly billing methodology in order to simplify billing and streamline auditing activities, and to provide Fairview with more consistent monthly bills, as a result of calculations and estimates being reviewed annually by both parties.

**NOW, THEREFORE, BE IT RESOLVED BY THE FAIRVIEW CITY COUNCIL AS
FOLLOWS:**

Section 1 The Fairview City Council hereby authorizes the Interim City Administrator to enter in to Amendment No. 1, to the intergovernmental agreement if entered into with the City of Gresham for the collection and treatment of wastewater executed January 2006 which is in substantially the same form as the attached Exhibit A.

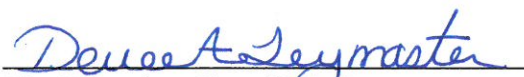
Section 2 This resolution is and shall be effective from and after its passage by the City Council.

Resolution adopted by the City Council of the City of Fairview, this 16th day of December, 2015.



Mayor, City of Fairview
Ted Tosterud

ATTEST



City Recorder, City of Fairview
Devree Leymaster

12-21-15

Date

**AMENDMENT No. 1
INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE CITY OF GRESHAM
AND
THE CITY OF FAIRVIEW
FOR THE COLLECTION AND TREATMENT OF WASTEWATER**

This Amendment No. 1 is entered into by and between the City of Gresham, Oregon (Gresham) and the City of Fairview, Oregon (Fairview), both of which are municipal corporations duly organized and existing under State of Oregon law pursuant to ORS 190.003 to ORS 190.130 and ORS 454.165. This Amendment No. 1 is effective upon the date signed by both parties.

RECITALS:

WHEREAS; In January 2006 Gresham and Fairview entered into an Intergovernmental Agreement (IGA) No. 2357 for the collection and treatment of wastewater; and

WHEREAS; Gresham and Fairview wish to extend the terms of the IGA for an additional ten (10) years; and

WHEREAS; it is the desire of Gresham and Fairview to modify the monthly billing methodology in order to simplify billing and streamline auditing activities, and to provide Fairview with more consistent monthly bills, as a result of calculations and estimates being reviewed annually by both parties.

NOW THEREFORE, THE CITIES HERBY AGREE AS FOLLOWS:

1. Terms of Agreement: Pursuant to Section 15 of the IGA, Terms of Agreement, Fairview has properly notified Gresham that it wishes to extend this IGA for an additional ten (10) years. Therefore, the effective date of the IGA has been extended to June 30, 2025.
2. Calculation of Monthly Bills: Pursuant to the IGA, Section 10. Measurement of Discharge, Section 11. Volume and Loading Adjustments, and Section 12. Billing and Payment of User Charges are amended as set forth below to better define how Fairview's accumulated information for flows, flow rates, mg/L BOD and mg/L TSS, emanating from Fairview's wastewater system service area, and allocation of capacity based on average dry weather flow, shall be used in the calculation of monthly bills.

Section 10(a) of the IGA is deleted and replaced in its entirety with the following:

10. Measurement of Discharge: The intent of this section is to define methods of obtaining measurements of wastewater discharge constituents (flows, flow rates, mg/L BOD and mg/L TSS) emanating from the wastewater system service area of Fairview.

- a. BOD and TSS Sampling: Gresham will perform quarterly sampling of the wastewater at two locations: 1) the Fairview flume; and 2) the Gresham Wastewater Treatment Plant. During the first month of each quarter, 24-hour composite samples shall be taken daily for seven (7) consecutive days. Composite samples shall mean individual samples taken at 15-minute intervals for a period of 24 hours. Gresham will contract with an independent laboratory to perform the analyses. The cost of sampling and analysis shall be included in Fairview's share of the annual O&M costs. The results of the sampling will be used to determine the strength of flow of Fairview's flow. If Fairview or Gresham disagrees with the analyses, new samples may be taken by either Fairview or Gresham. These samples will be re-evaluated and a final analysis negotiated.

A change in sampling methodology may be initiated by either party but must be mutually consented to by both parties, and implemented by means of a letter agreement executed by both parties.

Section 11(a)(i) of the IGA is deleted and replaced in its entirety with the following:

11. Volume Adjustments: It is understood and agreed that wastewater from certain areas of one city flow through the system of the other city prior to or without passing through a flow-metering device (See Section 21 and Exhibit B). These flows shall be added or subtracted from the total Fairview flow by one of the following methods:

- a. Flows conveyed through the City of Fairview System:
 - i. Wood Village: Wood Village flows will be subtracted from the total Fairview flume volumes.

Section 12 f the IGA is deleted and replaced in its entirety with the following:

12. Billing and Payment of User Charges

- a. Billing Methodology: Gresham's system of rates and charges for utility bills is computed on actual use and capacity share. Charges to Fairview will be calculated annually, based on measured monthly averaged flows and loadings (BOD and TSS) from the subsequent five (5) Calendar Years. These calculations will be the basis for the following Fiscal Year monthly charges, or if measuring equipment is inoperable, based on a mutual agreement with respect to discharge quantities. Charges to Fairview will be billed monthly. Inoperable measuring equipment shall be repaired by its owner within 30 days. (Balance of paragraph unchanged.)

This methodology is intended to remove peaks and valleys from Fairview's billing, making the monthly billings predictable.

- i. Effective July 1, 2015, and for each subsequent Fiscal Year, Fairview's capacity share allocation for average dry weather flow shall be based on 30 days per month; and
- ii. Effective July 1, 2015, and for each subsequent Fiscal Year, a five (5) year calendar monthly average for accumulated flows and mg/L BOD and mg/L TSS loading information will be used to calculate Fairview's monthly bills for the following Fiscal Year.

Example: Calendar Year (January 1 – December 31) Monthly Averages

Calendar Year	Flow Million Gallons per Month	BOD mg/L	TSS mg/L
2010	23.652	208.58	217.00
2011	22.339	239.33	235.42
2012	24.029	223.17	231.08
2013	21.497	256.08	235.96
2014	20.303	236.92	226.96
Averages:	22.364	232.82	229.28

Based on the example above, the Fiscal Year 2015 Monthly Bills for Fairview will be approximately \$55,458.68 per month, for the months of July through December 2015. Starting January 1 through June 30, 2016, based on Gresham's resolution rate change, the estimated monthly charge will be \$57,337.64. (Attachments A-1 and A-2 show the monthly bill estimates for Fairview using the above information for Calendar Years 2010 through 2014.)

- b. **Billing Calculations:** Following the close of each Calendar Year, Gresham shall provide to Fairview the updated five (5) year calendar monthly averages to be applied to the new Fiscal Year, based on those averages and Gresham's resolution rates. Gresham shall notify Fairview of any planned rate resolution changes which may affect bills to Fairview.
- c. **Cost Reconciliation:** After the close of each Fiscal Year, actual operating and maintenance expenses, annual pretreatment costs, and costs associated with any analyses or studies will be totaled and Fairview's proportionate share thereof will be compared with actual payments made by Fairview. (Balance of paragraph unchanged.)
- d. **Customer Services:** Gresham and Fairview shall be responsible for the provision of customer services, including, but not limited to, periodic billing and collection; and maintenance of a system of rates and charges that distributes the costs of the system to the customers thereof in compliance with state and federal regulations, for those customers within their respective urban services boundary.

In all other respects, the IGA shall remain in full force and effect. In the event of any discrepancies between the IGA and this Amendment No. 1, the provisions of this Amendment No. 1 shall control.

CITY OF GRESHAM

CITY OF FAIRVIEW

Erik Kvarsten, City Manager

Christy Wurster, City Administrator

Date: _____

Date: _____

APPROVED TO FORM

APPROVED TO FORM

City Attorney or Designee

City Attorney or Designee

Date: _____

Date: _____

